

**Adjuster Examination Study Outline**  
**March 2012**  
**Kentucky Property and Casualty Insurance License Exam Manual**  
**Kaplan Financial Education 1st Edition 2006**  
**50 Items**

<b>Unit 1</b>	<b>Principles of Insurance (2% of test) - 1 question</b> Risk Managing Risk Law of Large Numbers Elements of Insurability Other Insurance Terms
<b>Unit 2</b>	<b>The Insurance Contract (2% of test) - 1 question</b> Elements of a Valid Contract Characteristics of an Insurance Contract Parts of the Insurance Contract
<b>Unit 4</b>	<b>The Insurance Transaction (2% of test) – 1 question</b> Misrepresentation, Concealment, and Fraud Representations and Warranties Waiver and Estoppel
<b>Unit 5</b>	<b>Introduction to Property Insurance (2% of your test) – 1 question</b> Standardized Policies Declarations Insuring Agreement Exclusions and Limitations Conditions
<b>Unit 6</b>	<b>Introduction to Liability Insurance (4% of test) - 2 questions</b> Liability Losses Negligence Defenses Against Negligence Absolute Liability Vicarious Liability Liability Insurance
<b>Unit 7</b>	<b>Dwelling Insurance (2% of your test) – 1 question</b> The Dwelling Policy Basic Form (DP-1) Broad Form (DP-2) and Special Form (DP-3)
<b>Unit 8</b>	<b>Homeowners Insurance (12% of test) - 6 questions</b> The Homeowners Policy Section I–Property Section II - Liability Homeowners Endorsements

<b>Unit 9</b>	<b>Personal Auto Insurance (10% of test) – 5 questions</b> Definitions Part A - Liability Coverage Part B - Medical Payments Coverage Part C - Uninsured Motorists Coverage Part D - Coverage for Damage to Your Auto Parts E and F - Conditions Underinsured Motorists Coverage Personal Auto Policy Endorsements No Fault Insurance
<b>Unit 10</b>	<b>Miscellaneous Personal Insurance (4% of test) - 2 questions</b> Flood Insurance Earthquake Insurance Mobile Home Insurance Personal Inland Marine Insurance Personal Watercraft Insurance Personal Umbrella Insurance FAIR Plans
<b>Unit 11</b>	<b>The Commercial Package Policy (2% of test) – 1 question</b> Eligible Coverages Common Policy Declarations Common Policy Conditions
<b>Unit 12</b>	<b>The Businessowners Policy (2% of test) - 1 question</b> Eligibility, Policy Organization Property Coverage Liability and Medical Expenses Coverage Conditions Endorsements
<b>Unit 13</b>	<b>Commercial Property Insurance (2% of test) - 1 question</b> Commercial Property Coverage Part Building and Personal Property Coverage Form Builders Risk Coverage Form Condominium Coverage Forms Business Income Coverage Forms Causes of Loss Forms Endorsements
<b>Unit 15</b>	<b>Commercial General Liability Insurance (4% of test) - 2 questions</b> Business Liability Exposures Commercial General Liability Coverage Part Occurrence and Claims-Made Forms Coverage A - Bodily Injury and Property Damage Liability Coverage B - Personal and Advertising Injury Liability Coverage A and B Supplementary Payments Coverage C - Medical Payments Who is an Insured Limits of Insurance Conditions Other Commercial General Liability Coverage Forms and Endorsements

<b>Unit 17</b>	<b>Commercial Crime Insurance (2% of test) - 1 question</b> Types of Crime Forms Definitions Insuring Agreements and Endorsements Exclusions Conditions Fidelity Bonds
<b>Unit 18</b>	<b>Workers' Compensation (2% of test) - 1 question</b> Workers' Compensation Laws Funding Workers' Compensation and Employers Liability Policy Federal Workers' Compensation Laws
<b>Unit 19</b>	<b>Miscellaneous Commercial Insurance (2% of test) - 1 question</b> Farm Insurance Boiler and Machinery Insurance Aviation Insurance Professional Liability Insurance Employment Practices Liability Insurance Difference in Conditions Insurance Commercial Umbrella Insurance Surety Bonds Federal Terrorism Risk Insurance Act of 2002 (Extension Act of 2007)

#### **CROP REFERENCES**

**Crop-Hail Policy General Provisions 2011 - NCIS 3**  
**Crop-Hail Insurance Kentucky Amendatory Endorsement 2009 - NCIS 3KY**  
**Optional Fire and Lightning Coverage on Crops Planted in Small Grain Crop, Stubble or Residue 2007 – NCIS 457**  
**Crop-Hail Policy Jacket 2010 - NCIS 5**  
**Crop-Hail Policy Basic Form Special Provisions Kentucky 2007 - NCIS 616K**  
**Crop-Hail Policy - Unharvested and Harvested Tobacco Form Special Provisions Kentucky 2005 - NCIS 641K**  
**Common Crop Insurance Policy, Basic Provisions - Reinsured Version (11-BR)**  
**FCIC 98-041 - Coarse Grains Crop Provisions**  
**FCIC 09-CAT - Multiple Peril Catastrophic Risk Protection Endorsement**

**Crop-Hail (4% of test) – 2 questions**  
Policy Provisions of Crop-Hail  
Crop-Hail Provisions  
Crop-Hail Basic Policy Special Provisions Kentucky  
Kentucky Crop-Hail Endorsements  
Coverage Available Multiple Peril Crop Insurance (MPCI)  
Claim Settlement

**CLAIM BASICS**  
**Claims Continuing Education Course**  
**Kaplan Financial Education**  
**3rd Edition 2006**

**Adjuster Claims (14% of test) – 7 questions**

<b>Unit 1</b>	The Claims Function
<b>Unit 2</b>	Claim Handling Skills
<b>Unit 3</b>	Claim Investigation
<b>Unit 4</b>	Claim Evaluation and Disposition
<b>Unit 5</b>	Ethical Issues in Claim Handling

**KRS 342 and Guidebook to Workers' Compensation Kentucky 2008**

**Workers' Compensation (10% of test) – 5 questions**

State Administration of Workers' Compensation  
Employer-Employee Relationship  
Occupations Covered/Occupations Excluded  
Which Employers Must Be Covered  
Voluntary Coverage  
Coverage Options  
Compulsory vs. Elective  
Who is an Employee  
Officers/Sole Proprietors  
Loaned/Leased Employees  
Up-the-Ladder Doctrine  
Compensable Injuries/Disease/Cumulative Trauma  
Determining What is Compensable  
Compensable Diseases  
Cumulative Trauma Injuries  
Types of Disability  
Standards for Disability  
Definitions  
Special Defenses  
Benefits Provided  
When Benefits are Due; When Benefits End  
Medical Benefits  
Rehabilitation  
Death Medical and Burial Benefit  
Income Benefits (formulas)  
Protection of Benefits from Creditors  
Offsets (Social Security/Disability)  
Black Lung (Pneumoconiosis) Provisions  
Special Fund/Assessments  
Claims Investigation and Handling  
First Reports, Other Reporting to OWC  
Statute of Limitations  
Basis for Denial/Reduction  
Indemnity and Subrogation  
Wrongful Discharge/ADA Provisions  
Parts of Policy  
Coverages  
Exclusions  
Endorsements

**Insurance Code**

**Kentucky Law (16% of test) – 8 questions**

Scope, General Definitions, and Provisions KRS 304.1

Adjuster Licensing Applicable Laws

Definitions KRS 304.9-020

Change of Address KRS 304.9-200

License Renewal KRS 304.9-260

Continuing Education KRS 304.9-295

Adjuster's License: Qualifications; Examination; Catastrophe

Adjustments KRS 304.9-430

Public Adjuster KRS 304.9-430(12)

Apprentice KRS 304.9-432

Suspension or Revocation of License KRS 304.9-440

Reporting of Criminal or Administrative Actions KRS 304.9-467

Prohibited Practices in Replacement or Repair of Automobile Glass;

Penalties KRS 304.9-470

Unfair Practices KRS 304.12-010

Unfair Claims Settlement Practices KRS 304.12-230; 806 KAR 12:095

Time of Payment of Claims KRS 304.12-235

Insurance Contract KRS 304.14

Motor Vehicle Insurance No-Fault KRS 304.39

Insurance Fraud KRS 304.47

Workers' Compensation Unfair Claims Settlement 803 KAR 25:240